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Kamran Fattahi (Cal. Bar 150,343) 1 LAW OFFICES OF KAMRAN FATTAHI 15303 Ventura Boulevard, Suite 1400 Sherman Oaks, California 91403 Tel: (818) 205-0140 3 Fax: (818) 205-0145 E-mail: Kamran@FattahiLaw.com 4 5 Attorneys for Plaintiff American Impex Corp. 6 7 8 UNITED STATES DISTRICT COURT CENTRAL DISTRICT OF CALIFORNIA 9 10 AMERICAN IMPEX CORP., d/b/a Civil Case No. CV09-7082 PA (Ex) ACE FABRICS & TRIMS, 11 12 Plaintiff, CONSENT JUDGMENT AND PERMANENT INJUNCTION 13 v. NOTE: CHANGES MADE BY THE INTERNATIONAL ACE TEX, INC.; COURT PAYMAN MALEKAN; ETHAN MALEKAN; SEON MALEKAN; and 15 DOES 1 through 10, inclusive, 16 Defendants. 17

WHEREAS Plaintiff American Impex Corp., d/b/a Ace Fabrics & Trims, ("Plaintiff") and Ace Textile, Inc. ("Ace Textile") were previously parties to an action before this Court that was filed on March 19, 2008 and was captioned as "American Impex Corp., d/b/a Ace Fabrics & Trims v. Ace Textile, Inc.; Civil Case No. CV-08-01948 PA (Ex)" (hereinafter "the Original Action").

WHEREAS the Original Action primarily involved Plaintiff's claims of trademark infringement and related unfair competition claims against Ace Textile resulting from the latter's usage of the ACE and ACE TEXTILE trademarks and trade names in marketing and selling textiles and fabrics in violation of Plaintiff's trademark and trade identity rights in its federally registered marks ACE and ACE FABRICS & TRIMS (i.e., U.S. Registration No. 3,472,010 for the mark ACE, and

	U.	S.	Registration	No. 3	.472.011	for the mark	ACE FABRIC	CS & TRIMS)
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WHEREAS Plaintiff and Ace Textile settled the Original Action by entering into a Settlement Agreement having an Effective Date of February 17, 2009 ("2009 Settlement Agreement"). As a result of the 2009 Settlement Agreement, on February 20, 2009, this Court entered an "Order Dismissing Action With Prejudice," which ended the Original Action between AIC and Ace Textile. This Court retained exclusive jurisdiction over any action or motion relating to the breach or enforcement of the 2009 Settlement Agreement.

WHEREAS Plaintiff filed a Complaint in the present action on September 29, 2009 (hereinafter "the Present Action") against defendants International Ace Tex, Inc., a California corporation, and individuals Payman Malekan, Ethan Malekan, and Seon Malekan (collectively "Defendants").

WHEREAS at the time of filing the Present Action, the corporate name of "Ace Textile, Inc.," had been changed with the State of California to "International Ace Tex, Inc.," and has now been re-changed to "International Acetex, Inc.," and therefore, the latter name refers to the same corporate entity as the named defendant "International Ace Tex, Inc." in the Present Action.

WHEREAS Peyman Malekan (erroneously named in the Present Action as Payman Malekan) and Ethan Malekan, who are named as defendants in the Present Action, are in fact one and the same individual, who may hereinafter be referred to as Peyman "Ethan" Malekan, and therefore, the latter name refers to the aforementioned named defendants in the Present Action.

WHEREAS the Complaint in the Present Action sets forth claims against Defendants for breach of the 2009 Settlement Agreement, as well as claims similar to those in the Original Action for trademark infringement, and related unfair competition claims resulting from Defendants' continued usage of Plaintiff's ACE and ACE TEXTILE trademarks and trade names.

WHEREAS the parties in the Present Action have stipulated to the entry of this Consent Judgment and Permanent Injunction, and understand by doing so that the entry thereof is part and parcel of a compromise and settlement of disputed claims as set forth in a Settlement Agreement between the parties having an Effective Date of February 1, 2010 (hereinafter "the 2010 Settlement Agreement"), and is not an admission of liability or wrongdoing, all of which are expressly denied.

IT IS HEREBY ORDERED, DETERMINED AND ADJUDGED THAT:

- 1. The Court has jurisdiction over the subject matter of this civil action and over all the named parties.
- 2. U.S. Registration No. 3,472,010 for the mark "ACE" and U.S. Registration No. 3,472,011 for the mark "ACE FABRICS & TRIMS" are owned exclusively by Plaintiff, and are valid and fully enforceable.
- 3. Effective February 15, 2010, Defendants International Ace Tex, Inc. (now "International Acetex, Inc."), Peyman "Ethan" Malekan (named in the Present Action as Payman Malekan or Ethan Malekan), and Seon Malekan (collectively "Defendants"), and their officers, owners, agents, servants, employees, representatives, related entities, predecessors, successors, and assigns, and all persons, entities, or corporations in active concert and participation with any of them, are hereby permanently enjoined and ordered as follows:
 - a. Permanently enjoined from using any of the terms "Ace" or "Ace

 Textile" or "Ace Tex" alone or in combination with other term(s) or

 designs or logos in any and all formats and manners of use

 whatsoever, including but not limited to use of these terms as part of

 its corporate name, trade name, as part of a trademark or service mark,

 in marketing, advertising, selling, or distributing of goods or services

 in the field of textiles or fabrics, in telephone listings, websites or e-

- mail addresses, store signage, invoicing, packaging, shipping, and in all other things related to the same. However, the requirements of this sub-paragraph are subject to the provisions in sub-paragraphs 3.b. and 3.c. below, which allow Defendants to use the term "ACETEX" as specifically set forth in those sub-paragraphs.
- b. Defendants may, however, adopt and use the terms "International Acetex" and/or "International Acetex, Inc." (hereinafter collectively the "New Name") as their corporate name, trade name, trademark or service mark, in marketing, advertising, selling, or distributing of goods or services in the field of textiles or fabrics, in telephone listings, websites or e-mail addresses, store signage, invoicing, packaging, shipping, and in all other things related to the same. As for the corporation and its change of name to "International Acetex, Inc.," such change shall be done under the same existing corporate charter.
- c. In adopting and using the New Name in all places and things set forth above, the term "Acetex" shall appear as a single word without any separation between its letters; the word "International" shall always appear before the term "Acetex"; all the letters comprising the New Name shall appear either as upper case or as lower case letters; all the letters comprising the New Name shall be in the same size, color, font, and styling; and the New Name shall not appear or be used in a way that would highlight or give attention to the word "Ace", including as part of the term "ACETEX", or to the term "ACETEX" (by way of example, while "ACETEX", or "Acetex", or "acetex" may be used, Defendants shall not use "AceTex" or "Ace Tex" or "Ace-Tex" or "Ace-Tex" or "Ace-tex"). Defendants shall bear sole responsibility for any claims that may be brought by others for Defendants' adoption and use of the New Name.